



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Cedar City Field Office
176 East DL Sargent Drive
Cedar City, Utah 84720

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DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:
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3809: UTU-67116

August 27, 2001

Mr. Alan Wilson
Senior Reclamation Engineer
Hecla Mining Company
6500 Mineral Drive
Coeur d'Alene, Idaho 83815-8788

Dear Mr. Wilson:

This is in reply to your letter, dated August 15, 2001, which letter transmitted Hecla's proposal to control knapweed and obtain final bond release for the Escalante tailings pond. The proposal calls for Hecla continuing to control knapweed within the permit area only through 2002, unless similar knapweed control efforts are occurring on lands outside the permit area in the immediate vicinity. Provided knapweed is being controlled outside the permit area, Hecla is willing to continue control efforts within the permit area through 2004. Presumably 2004 was chosen as the year other reclamation releases will be forthcoming on private lands in the permit area.

BLM is in agreement with the principle of Hecla's proposal - that Hecla should not be held responsible for knapweed control if similar control efforts are not taking place on adjacent lands outside the permit area. However, BLM is not in agreement that Hecla should be released from knapweed control liability in 2004, regardless of the knapweed situation either within or without the permit area.

BLM is only aware of one knapweed area outside of the permit area in the vicinity of the impoundment area. This area lies along the County road right of way immediately to the east/southeast of the mill structures. BLM has been monitoring this area and spraying it since the outbreak was discovered two years ago. BLM will continue to spray and monitor this area into the future for as long as it takes to eradicate the knapweed. We believe a similar effort is necessary within the permit area. Accordingly, BLM's proposal is as follows:

If eradication occurs by 2004, BLM is agreeable to releasing Hecla from any further liability for control. If eradication within the permit area is not complete at that time, BLM will be requesting that either Hecla submit a plan to continue knapweed control within the permit area until it is eradicated, or make funds available to BLM to continue the control effort within the permit area.

BLM considers all other aspects of reclamation and re-vegetation within the tailings pond impoundment satisfactory, and is agreeable to release of the reclamation bond provided Hecla commits in writing to the BLM proposal for knapweed control into the future on the site.

Sincerely,

Ed Ginouves
Mining Engineer

xc: Lynn Kunzler, DOGM